



## ECONOMIC DEVELOPMENT

The economic development element of the 2030 Comprehensive Plan provides an analysis of the current state of the local economy. It includes data and analysis on the labor force and its current trends and conditions as well as an analysis of Sumter's overall economic base. This type of data is imperative as it allows for the establishment of sustainable goals and land use policies for the economic future of the community.

### Location

The geographic location of a municipality is one of many factors that determine its economic vitality. Sumter is centrally located in the Midlands region of South Carolina where it is reasonably accessible by all areas of the state. The County of Sumter is bounded on all sides by Interstate Highway 95, 20, 77, and 26. It is located approximately 44 miles east of the state capital, Columbia; 100 miles north of one of the busiest ports on the east coast, Charleston, and; 145 miles south of Greenville.

It is also important to note Sumter's location within the southeastern region of the United States. Sumter is located less than 250 miles away from at least two major metropolitan areas in the Southeast in Atlanta, GA and Charlotte, NC. As a result, Sumter's location can be viewed as an asset because of its location within the state and its close proximity to the metropolitan centers of the region.

### Labor Force & Employment

Human capital, in the form of labor force, is likely a key component of all economies regardless of scale. The presence of a well-trained labor force adds value to local economies as it typically leads to better wages, spending power and an improved quality of life. Businesses and investors alike are attracted to places where they are more likely to employ well-trained and educated workers. Within Sumter and the region there are several opportunities for advanced education and workforce training as shown on the following chart.

Table ED-1

<b>WORKFORCE TRAINING AND EDUCATION (2006)</b> Source: South Carolina Commission of Higher Education				
<b>INSTITUTION</b>	<b>TYPE</b>	<b>ENROLLMENT</b>	<b>GRADUATION Class</b>	<b>LOCATION</b>
Central Carolina Technical College	Public Vocational	2,931	406	Sumter
Midlands Technical College	Public Vocational	10,849	1,697	Columbia
Morris College	Private Liberal Arts	863	158	Sumter
University of South Carolina	Public Flagship	27,390	5,946	Columbia
University of South Carolina – Sumter	Public Branch Campus	1,088	63	Sumter



The Bureau of Labor Statistics (BLS) defines the labor force as the civilian, non-institutional population 16 years old and older. The labor force is made up of both the employed and the officially unemployed. The remainders of those who have no job and are not looking for one are counted as not being in the labor force.

The number of persons considered to be in the workforce in Sumter County has fluctuated between 42,960 (2002) and 46,704 (2005) over the past decade. However, the labor force has continued to decline since 2005.

The unemployment rate in the City has increased from its 1999 rate of 5.4% to 7.3% in 2007. During this same period the rate has been as high as 9.2% in 2005 and as low as 4.4% in 2000. The County's statistics show much in the same as the unemployment rates increased from 4.2% in 2000 to 8.6% in 2008. This reflects a change of 101% in the total number of persons unemployed in the County. Simply stated, the total number unemployed has doubled in the County since 2000. In the City, the percent change is less but is still considerably high at over 40%.

Table ED-2

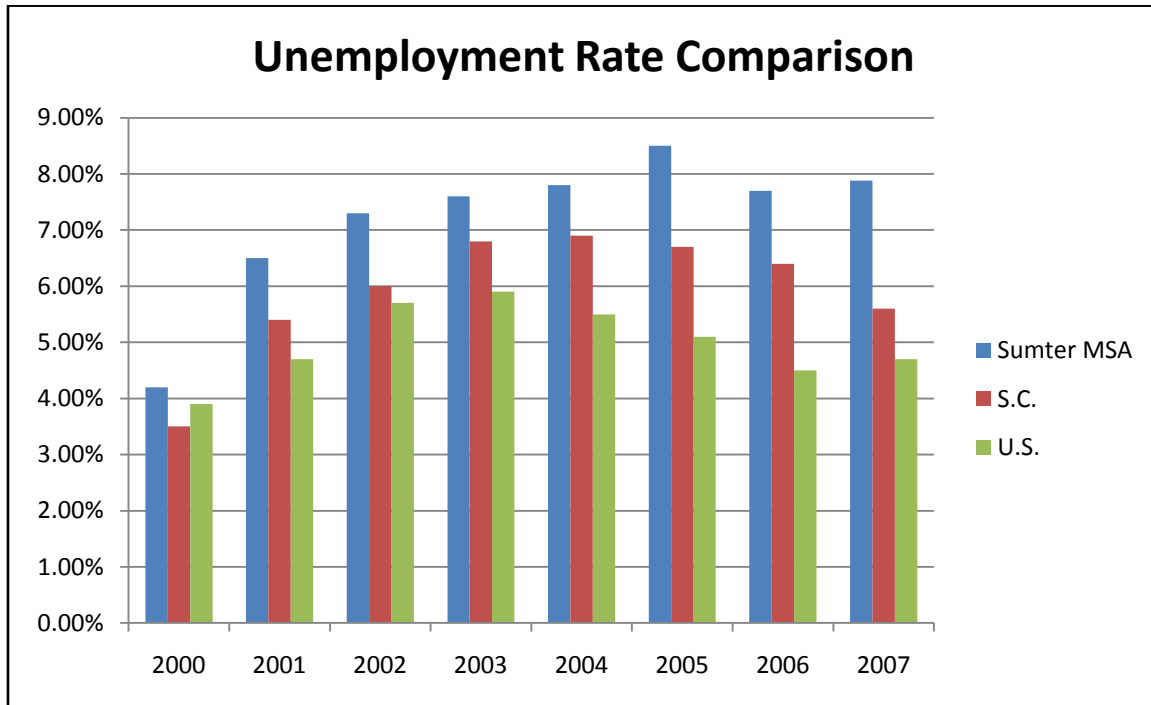
Sumter Critical Employment Data 2000-2008								
	Labor Force		Employment		Unemployment		Unemployment Rate	
	City	County	City	County	City	County	City	County
2000	15,328	44,680	14,657	42,800	671	1,880	4.40%	4.20%
2001	14,944	43,320	13,892	40,490	1,052	2,830	7.00%	6.50%
2002	14,827	42,960	13,685	39,810	1,142	3,150	7.70%	7.30%
2003	15,520	44,990	14,285	41,560	1,235	3,440	8.00%	7.60%
2004	15,755	45,861	14,440	42,293	1,315	3,568	8.30%	7.80%
2005	16,159	46,704	14,673	42,753	1,486	3,951	9.20%	8.50%
2006	15,778	45,873	14,584	42,342	1,194	3,531	7.60%	7.70%
2007	N/A	45,591	14,090	41,479	N/A	3,112	6.5%	7.00%
2008	N/A	43,132	13,391	39,420	N/A	3,712	8.1%	8.60%

Source: US Bureau of Labor Statistics

The unemployment rate in the Sumter MSA has historically been higher than both the state and national rates. All three economies have seen typical rollercoaster-like highs and lows in rates due to a variety of contributing factors. For the past seven years, Sumter's unemployment rates have been greater than the rates found at the state and national levels as illustrated on Figure ED-1.



Figure ED-1



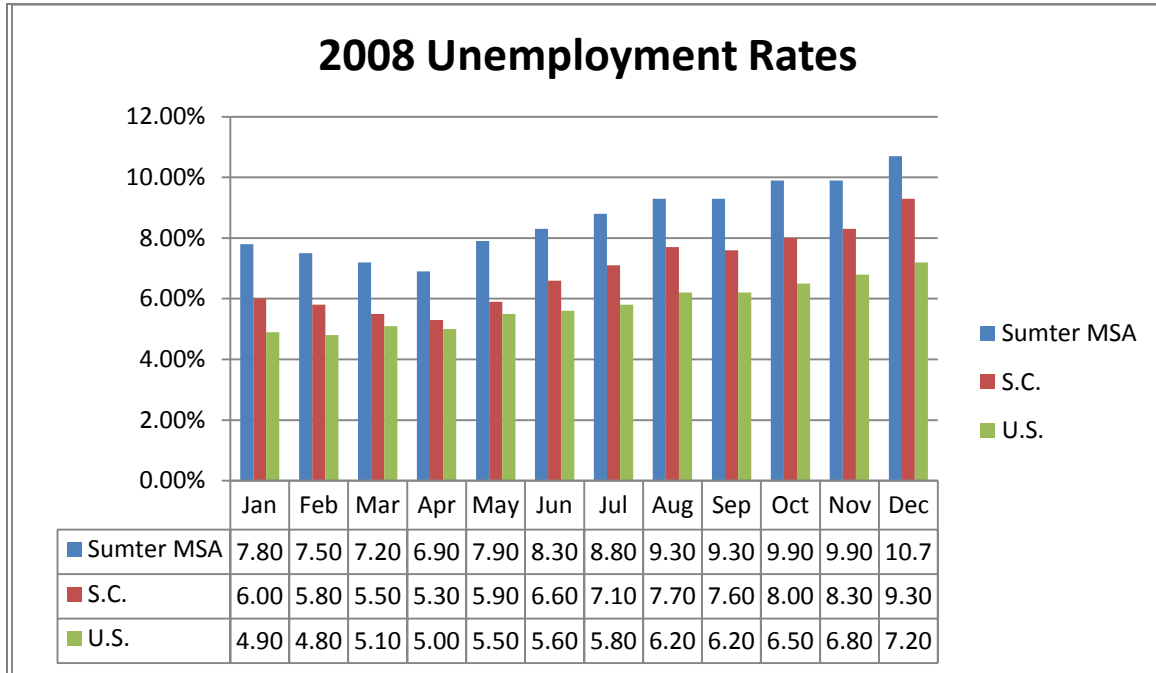
Source: SC Statistical Abstract (2006) & US Bureau of Labor Statistics

The Sumter economy has, for years, been driven by the manufacturing industry as the largest employer of Sumter residents. It is not surprising then, that after large amounts of layoffs, the outsourcing of jobs, and globalization in the manufacturing sector, that an economy largely driven by this sector would have higher unemployment rates than do the more diversified state and national economies.

The 2008 year ushered in an economic climate unseen in this country in recent memory. A dormant housing market, a plummeting stock market, and significant job loss has adversely impacted the national economy as well as state and local economies. The State of South Carolina and Sumter's local economy has been hit directly by these adverse impacts. The month-to-month unemployment data for 2008 illustrates the level of such an impact as the rates steadily climbed upward. In the second half of the year, the rates undoubtedly are direct results of a nearly completely frozen credit market. With access to credit limited, small businesses as well as major corporations that rely on credit to meet payroll are forced to lay off employees across the board. Additionally, expansion and investment have been greatly curtailed. Early 2009 numbers were pushing Sumter's unemployment levels above 13%.



Figure ED-2



Source: U.S. Bureau of Labor Statistics

### Business and Industry

The economic base in Sumter is anchored primarily by manufacturing, healthcare and government. These industries employ the highest percentages of the overall workforce in both the City and County and are made up of well-known companies. The manufacturing industry includes companies such as Eaton, Pilgrim's Pride, Cooper Tools, and Caterpillar. Healthcare is primarily centered on Tuomey Hospital and a host of smaller locally-owned private practices. Those classified under government include state and local governments as well as Shaw Air Force Base.

Shaw's impact locally is unrivaled, generating approximately \$500 million annually from direct and indirect sources for the Sumter economy. The protection of Shaw Air Force Base's mission through land use policies is directly related to the viability of our local economy. This issue makes it plainly evident how land use decisions can affect other aspects of the Comprehensive Plan, or vice versa.

Thus, the issue of land use compatibility and residential encroachment near the base is intertwined with our economy. Failure to protect Shaw and its mission, which includes the future F-35 Aircraft, is paramount to undermining our economic lifeblood.



Table ED-3

Sumter Top 10 Non-Industrial Employers		
Company/Organization	Employees	Type
Shaw Air Force Base	6,866	Military
Tuomey Healthcare System	1,600	Hospital
Sumter School District 17	1,389	Public Schools
Sumter School District 2	1,200	Public Schools
State of South Carolina	1,060	Government
Sumter County	520	Government
City of Sumter	500	Government
Wal-Mart	475	Retail
Central Carolina Technical College	413	Technical School
Security Management of S.C.	389	Security Services

Source: Sumter Development Board



Tuomey Hospital

The manufacturing industry still employs a significant percentage of the overall workforce in both the City and County. In recent years, the percent of total jobs in this sector has decreased, as shown on the following chart. This decrease is largely a result of manufacturing companies being forced to reduce cost of labor by laying-off employees or ceasing operations all together.

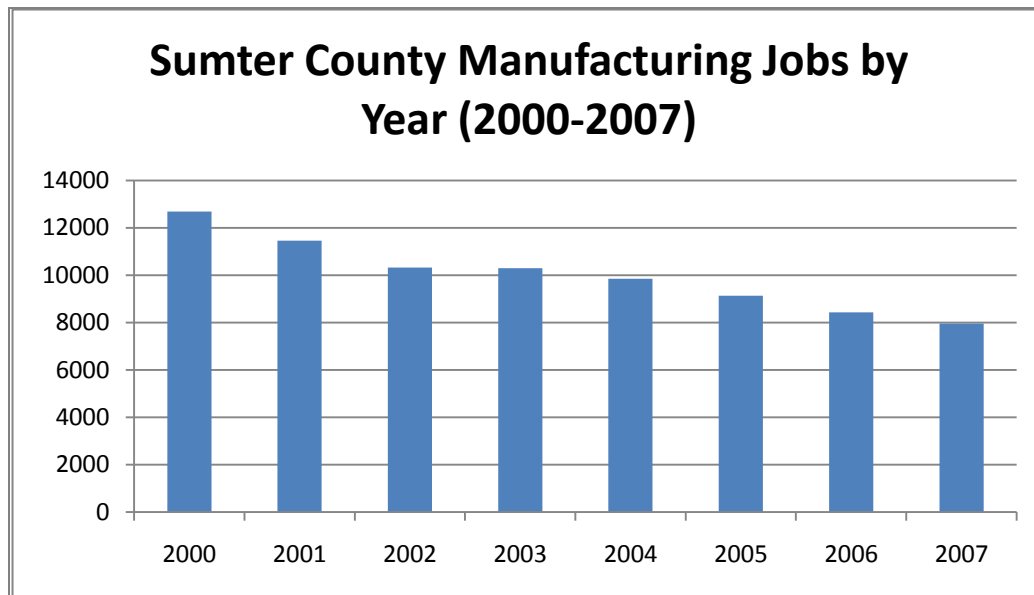
Table ED-4

Sumter Top 10 Manufacturing Employers		
Company Name	Number of Employees	Product(s)
Pilgrim's Pride	2,150	Fresh & frozen poultry
Eaton Electrical	810	Electrical distribution equipment
BD Preamerical Solutions	720	Disposable blood collection devices
Santee Print Works	500	Printing & finishing cotton, synthetics
Cooper Tools	385	Various hand tools
Color-Fi, Inc.	247	Polyester fiber
Interlake Material Handling	211	Pallet rack systems
Glasscock Company	206	Sand, gravel, ready-mix concrete
Caterpillar Precision Pins	201	Linkage pins and planet shafts for heavy equipment
Kaydon Corp., Plant #12	200	Precision bearings

Source: Sumter Development Board



Figure ED-3



In terms of specific employment by industry in the City and County, the decade has seen job losses in most categories. In total across all industries, Sumter has lost a net 4,810 jobs since 2000. However, the Healthcare and the Accommodations fields have added significant new jobs to the Sumter community.

Table ED-5

### Employment Change by Industry 2000-2008

Private Industry	2000	2008	Change
Utilities	101	114	13
Construction	2,660	2,744	84
Manufacturing	12,527	7,127	(5,400)
Wholesale Trade	618	836	218
Retail Trade	4,861	4,328	(533)
Transportation and Warehousing	801	964	163
Information	404	325	(79)
Finance and Insurance	921	850	(71)
Real Estate and Rental and Leasing	322	265	(57)
Professional and Technical Services	543	705	162



Management of Companies and Enterprises	168	216	48
Administrative and Waste Services	1,886	1,558	(328)
Educational Services	441	499	58
Health Care and Social Assistance	3,534	4,353	819
Arts, Entertainment, and Recreation	388	305	(83)
Accommodation and Food Services	2,771	3,041	270
Other Services, Ex. Public Admin	978	1,138	160
Misc. other private industry	565	372	(193)
<b>Total Private Industry</b>	<b>34,489</b>	<b>29,740</b>	<b>(4,749)</b>
Federal government	1,220	1,225	5
State government	1,736	1,677	(59)
Local government	4,241	4,234	(7)
<b>Total Employment (Private and Government)</b>	<b>41,686</b>	<b>36,876</b>	<b>(4,810)</b>

Source: Bureau of Labor Statistics

### Income and Wage Characteristics

Per capita income has risen over 56% in the City and County between 1990 and 2000, from \$9,997 to \$15,657 in the County and from \$11,495 to \$16,949 in the City. Measuring median household income reflects total spending power. In 1990 the overall median household income in the County was \$22,387. By 2000, that number had risen to \$33,278 and to \$31,590 from \$21,221 in the City. The following table shows that the highest percentage of households in the County falls within the \$35,000 to \$49,999 income bracket and the \$15,000 to \$24,999 income bracket in the City.

Table ED-6	City 2000		County 2000	
Household Income	14,781	100.00%	37,719	100.00%
Less than \$10,000	2,171	14.70%	5,111	13.60%
\$10,000 to \$14,999	1,192	8.10%	2,846	7.50%
\$15,000 to \$24,999	2,408	16.30%	6,147	16.30%
\$25,000 to \$34,999	2,187	14.80%	5,469	14.50%
\$35,000 to \$49,999	2,394	16.20%	6,885	18.30%
\$50,000 to \$74,999	2,281	15.40%	6,740	17.90%
\$75,000 to \$99,999	1,041	7.00%	2,506	6.60%
\$100,000 to \$149,999	680	4.60%	1,279	3.40%
\$150,000 to \$199,999	182	1.20%	366	1.00%
\$200,000 or more	245	1.70%	370	1.00%

Source: US Census Bureau



Median family income is an important data source as it is used to establish the poverty level. In 2000, median family incomes were \$38,970 and \$38,668 in the County and City respectively. In 1990, Sumter County median family income was \$25,683.

In 2000 more than 76% of Sumter County's working residents received part of their income in either wages or salary. Contrarily, more than 10% earned income from public assistance and supplemental security income:

Table ED-7

Sumter County Income by Type (2000)		
Income	Number	Percentage
Wage or Salary	28,969	76.80%
Self-Employment	3,514	9.20%
Interest, Dividend, or Net Rental	8,871	23.52%
Social Security	10,182	26.99%
Public Assistance & Supplemental Security Income	3,886	10.30%
Retirement	7,451	19.75%
Other Types of Income	6,450	17.10%

Source: S.C. Statistical Abstract

### Commuting Patterns

Based on the 2000 Census, The commuting patterns shown on the following chart indicate that Sumter is a workplace destination in the region. Almost 6,000 workers commute to Sumter daily from the region, including over 2,700 from Clarendon County. Some 6,073 Sumter residents commute out of the County to other places in the region, the largest number to Richland County. In all, the total in-commuting is marginally less than the total out-commuting as it is separated by less than 175 commuters. It will be interesting to view 2010 commuting numbers once they are available to understand more recent patterns.





Table ED-8

Sumter County Commuting Patterns			
In-Commuting From		Out-Commuting To	
County	Number	County	Number
Clarendon	2,768	Richland	2,289
Lee	1,373	Clarendon	1,238
Richland	546	Kershaw	844
Florence	396	Florence	731
Lexington	200	Lee	318
Darlington	198	Lexington	225
Kershaw	197	Darlington	166
Orangeburg	159	Newberry	108
Charleston	42	Orangeburg	88
Horry	35	Lancaster	66
<b>Total In</b>	<b>5,914</b>	<b>Total Out</b>	<b>6,073</b>

Source: SC Employment Security Commission; 2000 Census

### Strategic Plan Summary

The Sumter Economic Development Board, in partnership with the City of Sumter; the Sumter Smarter Growth Initiative; and the SC Power Team and Sumter County developed an Economic Strategic Plan in the summer of 2007 to enable and support a successful economic future. This plan is focused on retaining and growing jobs, increasing capital investments and attracting new industry. The Economic Strategic Plan established the following five key economic development strategies that will enable Sumter to compete in a world market. The Economic Strategic Plan is incorporated into the 2030 Comprehensive Plan by reference. The focus is to direct economic development projects to our existing industrial parks and the I-95 Corridor as well as to support the expansion of existing business. The land use policies found in Chapter 9 pledge to support economic development activity in Sumter.



### Economic Development Policies

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1. **Develop Product: “Ready” Sites and Buildings**—The investment in ready sites, the redevelopment of obsolete industrial sites and the creation of a continuous speculative building program are the three main goals of this strategy.
2. **Grow Targeted Business Clusters**—The basic premise of this strategy is to grow and support current business clusters as well as promote and encourage the development of new clusters. In doing so, this creates new competitive advantages that help to ensure a sustainable business climate.
3. **Retain and Grow Existing Business and Aid in Building a Skilled Workforce**—Under this strategy the goal is to enhance the existing industry retention and expansion program and enhance workforce development initiatives.
4. **Deliver Effective Marketing and Communications**—This strategy focuses on effectively communicating, locally and globally, how great a place Sumter is to work, live, and enjoy recreational activities. It is vital to the sustainability of Sumter for the world to know that Sumter’s doors are open for business.
5. **Develop Funding, Structure and Processes**—This strategy is centered on the continued commitment of the partnerships between the Sumter Smarter Growth Initiative, Sumter County, the City of Sumter, and the Development Board to provide the necessary resources over time to ensure the implementation of these strategies.
6. **Land Use Support**—The City and County support economic development projects across all land-use designations subject to context sensitivity and impacts on adjacent land owners or the established development pattern. Moreover, the City and County support the continued expansion of the existing economic development locations identified on Map ED-1.

*Note: Policies 1-5 are included courtesy of the Sumter Development Board and its partners and can be found in the 2007 Economic Development Strategic Plan.*

